VETERINARIAN OF THE YEAR
Dr. Alton F. Hopkins

Clients come first in this all-purpose practice

Does in still ma

C9480—1
12/23/87

DECEMBER 1987

veterinary economics

THE MAGAZINE OF PRACTICE MANAGEMENT AND FINANCE

YOUR AHT CAN BE A PRIZE BUT FRAGILE PACKAGE

********** FIRM 20814
220814E11007 11DEC88306
STATISTICAL REFER INDEX27ND
#800
4520 EAST-WEST HWY
BETHESDA MD 20814

veterinary economics

Associate Publisher/Editor: Michael D. Sollars
Managing Editor: Rebecca R. Turner
Assistant Editor: Catherine Lumetta
Art Director: Margaret Seburn
Editorial Assistants: Ruth Espy, Rosa Lee Metzler
Practice Management Editor: Ross Clark, DVM
Contributing Editors and Advisers: Ross Ainslie, DVM, Halifax, Nova Scotia; Alan F. Berger, DVM, Utica, Mich.; Jenks S. Britt, Russellville, Ky.; Daniel D. Chapel, AIA, Little Rock, Ark.; Warren Freedenfeld, AIA, Boston, Mass.; David P. Gallagher, Trumansburg, N.Y.; Glenn F.Hoffsis, DVM, Columbus, Ohio; Jack Kaine, MBA, Kansas City, Mo.; Harry James, DVM, Pond Creek, Okla.; Eleanor M. Kellon, VMD, Terre Hill, Pa.; Dawn G. Lennon, Coopersburg, Pa.; Herbert C. Lloyd, DVM, Arcadia, Fla.; David P. Madden, JP, Lenexa, Kan.; Owen McCafferty, CPA, Rocky River, Ohio; Marvin E. Rydberg, DVM, Lake Geneva, Wis; Peter Reardon, DVM, Phoenix, Ariz.; J.H Rosenberger, DVM, Richmond Heights, Ohio; Sam E. Strahm, DVM, Pawhuska, Okla.; Milton L. Willen, DVM, Canton, Ohio; James F. Wilson, DVM, JD, Davis, Calif.; Thomas D. Young, DVM, Toledo, Ohio
Correspondents: John Lofflin and Deborah Shouse, Kansas City; Bill Reddig, New York; Leslie Champlin, Washington, D.C.; Diane F. Roth, Chicago; Steve Beale, Los Angeles.
Circulation Director: Joan Roof
Circulation Manager: Rachel Lopez
Circulation Assistants: Bette Lilley, Helen McGraw, Sandy Hall
Vice President/ Sales and Marketing: Dale Schuler
Eastern Account Manager: Doug Catt
Western Account Manager: Brenda Shepek
Inside Sales/Ad Production: Sue Weller

VMPCI
Vice President/Publisher: Dennis McLaughlin
Business Manager: Cary Seem

Editorial and sales office
9073 Lenexa Drive
Lenexa, Kan. 66215
(913) 492-4300

ABP VBPA

VETERINARY ECONOMICS (ISSN0042-4862) is published monthly by Veterinary Medicine Publishing Co., 9073 Lenexa Drive, Lenexa, Kan. 66215. Telephone (913) 492-4300.
Copyright © 1987 by Veterinary Medicine Publishing Co. All rights reserved. None of the content of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means (electronic, mechanical, photocopying, recording, or otherwise) without the prior written permission of the publisher.
Printed in U.S.A. Price $6.00 a copy. $30 a year (U.S.A.). $40 a year (Canada and Mexico). $60 a year (foreign). Address correspondence to Veterinary Economics, 9073 Lenexa Drive, Lenexa, Kan. 66215. Second-class postage paid at Shawnee Mission, Kan. and additional entry offices. Postmaster: Send change of address notice to Veterinary Economics, 9073 Lenexa Drive, Lenexa, Kan. 66215.

A Medical Economics Publication

MEMO FROM THE EDITOR

"He comes up with answers, not detours."

The mystery and anticipation are over. We can now announce our 1987 Veterinarian of the Year, even ahead of TIME magazine's Man of the Year. I'm pleased to say that Dr. Alton F. Hopkins has been selected as the one person who has done the most to change the course of the veterinary profession. He was chosen from a long list of outstanding candidates, all nominated by fellow veterinarians.

Many of you know of this Dallas native's accomplishments, but a brief recap is in order (also see story on page 28). Dr. Hopkins's most important accomplishment has probably been the formation of the AVMA committee called FAVOR, Food Animal Veterinarians Organized for Results. The committee came about when large animal DVMs faced recession and ruin. Dr. Hopkins personally piloted this special relief squadron as it flew missions to help rescue the spirits of food animal veterinarians. He is now working to effect compromise between the "militant" group of AFAVMA (American Food Animal Veterinary Medical Association) and the AVMA.

As chairman of the AVMA's original Manpower Committee in 1979 that produced the Arthur D. Little Report, Dr. Alton has pushed hard since then for two things: a reduction in class sizes and increase in marketing efforts for the profession. "The AVMA has a big commitment today, spending around $300,000 annually on marketing," he says. Of course, he also served as president-elect (1985-1986) and president (1986-1987) of the AVMA.

I think the best way to characterize Dr. Hopkins is as Dr. Walter Juliff of Texas A & M did recently when he said, "He comes up with answers, not detours." I hope you all will join me in saying well done to Dr. Hopkins.

Michael D. Sollars

Michael D. Sollars

Dr. Alton Hopkins and wife, Bobbie, outside their Dallas home.

CONTENTS

VETERINARY ECONOMICS
DECEMBER 1987

34 COVER STORY

Your AHT can be a prize but fragile package

Good AHTs combine practical skills with people skills to be valuable members of your practice. But they can burn out as easily as you.

28 ACHIEVEMENT

Veterinarian of the Year Dr. Alton F. Hopkins

VETERINARY ECONOMICS favors this Dallas practitioner as the one who has done most to change the profession.

42 HOSPITAL DESIGN

Clients come first in this all-purpose practice

Efforts to meet all client needs pay off for this Ohio veterinarian.

48 CLIENT RELATIONS

How to keep 'em coming back for more

Two DVMs, one in California and the other in Michigan, find that quality service best attracts and keeps clients.

52 PERSONNEL

How to hire great office assistants

Here's a widely recommended procedure that's thorough and systematic, yet takes little time

60 PERSONAL FINANCES

Has your life insurance died of old age?

Or is it still in fine shape? Here's how to tell whether or not to trade in that old policy on a new model.

66 TAXES

Think you know the new tax rules? Think again

The law is just out of its infancy, but already it's burdened with misconceptions. Acting on them could be costly.

Picture credits: cover, 34, William Kuhn/Stephen Munz; 1, 26-30, Michael Sollars; 10, Howard Wilson; 20, Margaret Seburn; 42-47, Robert Brush.

DEPARTMENTS

1 Memo from the Editor
4 Letters to the Editor
12 Money Management Q&A
18 Practice Management Q&A
69 New for You
76 1987 Articles Index
78 Classified

8 Noteworthy
Job fair approved by AVMA executive board. . .
Program helps needy senior citizens. . .

20 Marketing
After three years in the Golden State, California's VMA hopes to reach out to other states with its marketing program.

24 Financial Focus
Does incorporation still make sense? The Tax Reform Act of 1986 has DVMs wondering whether or not to incorporate.

80 Bull's Eye
Our profession is leaving its seedlings on the shelf to die. This DVM says academia alone can't solve our problems.

veterinary economics
DECEMBER 1987

YOUR AHT CAN BE A PRIZE BUT FRAGILE PACKAGE

Good AHTs combine practical skills with people skills to be valuable members of your practice. But they can burn out as easily as you.

By John Lofflin

Dr. Teresa Benton really didn't realize just how valuable Karen Hagen was until the technician went on vacation earlier this year. "I noticed I was spending less quality time with our clients," Dr. Benton explains. "I was taking temperatures, fielding questions on the telephone."

Dr. Benton apparently spoke for many of her colleagues. VETERINARY ECONOMICS' poll of a random sample of readers presented overwhelming evidence that technical skills and their effect on the veterinarian's time are the animal health technician's (AHT) most attractive attribute.

AHT competence frees DVM

The magazine's poll asked veterinarians to list the three best attributes of an AHT (or VHT, for veterinary health technician if the profession turns more liberal and allows this nomenclature). Four out of 10 respondents said the good AHT "relieves the veterinarian of mundane tasks, providing more time for clients and increased caseloads."

But that's not all. AHTs possess a variety of other attributes. Technical skills are listed by 35 percent of the veterinarians; competence and knowledge of procedures, 33 percent; performing lab tests, 18 percent; the ability to handle animals properly, 15 percent; professionalism, 8 percent; and the ability to anesthetize animals, 3 percent.

THE AUTHOR is a contributor to MONEY magazine and teaches journalism in Parkville, Mo.

Practitioners count on their AHTs' strong personal skills as well. Good client relations figured in 24 percent of the responses. Another five percent appreciate their AHTs' honesty and trustworthiness; 6 percent, both intelligence and dedication; and 10 percent, industriousness. Ten percent of those responding simply listed a good personality and another 15 percent listed the ability to provide information to the client.

Dr. Benton, who is part owner with three other DVMs of a Torrance, Calif., small animal practice that includes two hospitals and one satellite clinic, has an AHT who actually led the way in office organization.

"When our latest AHT came on board," she says, "we were also in the midst of computerizing the practice. We had a lot of changes at once. She organized the inventory, lab work, and procedures so they could be integrated into the computer system.

"Organization is inherent in all of the AHTs we've had. There's a lot of attention paid in school to these things."

AHT's vital versatility

Dr. Benton is one who argues that the more the AHT does, the better use of time the veterinarian can make. She appreciates most an AHT who takes charge and who is versatile. She uses them from beginning to end.

"In our practice they're the first to see the animal," she says. "They get the history, weight, and temperatures, which saves us all a tremendous amount of time. We've also got them doing a lot of the release work now. They discuss with the clients how to give the medications, what needs to be done by the owner, and what follow-up will be required for the animal. They also do a lot of the phone work. The AHT staff just takes a load off us, and they have a lot of rapport with the clients, too."

Dr. Benton says one of her AHTs is even in charge of hiring new kennel workers: "She's actually a better judge of people for that position."

A good AHT: money in the bank

"There's no question that they make money for us," Dr. Benton says. "They go into a room and if the animal has fleas, they suggest flea products. Tartar? They suggest the animal having a dental. If the AHT has mentioned it, then when we suggest it the second time, it's an easier sell. We often go into a room and the chart says 'wants a dental.' The AHT has already sold that. We find we're doing more dentals, more toothbrushes, more flea work."

Although she emphasizes technical skills in her personal list of favorite attributes, Dr. Benton says she also appreciates the value of what she calls people skills. "I can teach them how to draw blood or take X-rays," she says. "But we have one who can just walk into a room where someone is upset and that person will automatically calm right down. You can't teach that."

If Dr. Benton feels AHTs make

more money for the practice, Dr. Rod Hall says his AHT makes clients think they're getting more for their money. Dr. Hall is a 36-year-old Tishomingo, Okla., mixed animal practitioner in beef cattle country. In practice nine years, his AHT has been on board almost half that time.

"Her best attributes show especially when she's dealing with clients," he says. "Clients feel they're getting more for their money when she's involved. The technician does the initial exam before we go in. She answers a lot of their questions. To the client, she's someone who knows what she's talking about."

Dr. Michael P. Thomas, DVM, a Tremont, Ill., mixed-animal practitioner who bought into his 20-year-old practice eight years ago, says his AHT keeps veterinary medicine fresh.

"My AHT frees me up to do other things," he says. "I can see more appointments while the AHTs are getting the animal ready. And in surgery she knows what to do without a lot of explanation. People skills are important, but to me the professional skills mean the most. I don't want to downplay communication. But a technician without a good background is not a good source of information for the client anyway."

That's just what Dr. Jack F. Kirk, DVM, a 60-year-old small animal practitioner in Hobbs, N.M., wants from his AHT. Not clean cages.

"If the technician is back there cleaning cages instead of taking time to explain a vaccination program, then the AHT is not being utilized correctly," he says.

Dr. Kirk began his practice in 1951 and hired his first technician in 1964. She outlasted the Beatles, who broke on the American charts that year, and she outlasted Dr. Kirk, who sold his interest in the practice two years ago and now works in it part time.

The mixed animal practice has three veterinarian positions and three technician positions. The practice is 70 percent large animal, 30 percent equine. Like other practitioners, Dr. Kirk lists technical skills first among favored AHT attributes, but he can't deny the communication skills.

"People skills? You asked what is *most* important," he says. "The technician we have now with the most seniority has good friends among our clients. They're often able to communicate better with her than with the doctor. She's not so intimidating. Clients sometimes look on us as little tin gods with our own language and all. They come in and the technician explains things in words they can understand."

How to keep good AHTs

Once she finds a good technician, how does Dr. Benton, in Torrance, Calif., hang on to her find?

"We pay them very well," she explains. "But that's not the whole story. One of our AHTs was offered a better paying position elsewhere, but we didn't lose her, because she realized there would be more stress involved in the other position.

"We try to minimize stress. We insist people get out on time. Take lunch, get a break. We have them punch the clock and leave on time. They can count on their hours. I don't like to impose on them with overtime, and of course, I don't like to pay overtime. We also pay for some continuing education. That shows them we care and keeps them on board."

Like Dr. Benton, Dr. Hall's AHT was lured by better pay. His left. "But she came back because she likes the environment better here," he says.

Dr. Thomas claims keeping AHTs with the right attributes is "a mystery," but with his incentive pay plan it's no surprise Patty Neville, his lead AHT, has been on board nine years. His plan improved more than tenure.

"Two years ago we developed an incentive pay plan that provides our AHTs with base salary plus 10 percent of any monthly increases in profits," he says. "It's been excellent so far. There have been very few months that we didn't pay a bonus. It gives our AHTs an opportunity to grow with the practice and not be locked into a salary."

It's no surpise to Dr. Carole Maltby, either, director of the Animal Health Technology program at Maple Woods Community College in Kansas City, Mo. "When a technician's salary is tied to percent of gross she'll stay," she says. "When techs are stuck at $6 an hour, they go. If they're made to feel they're part of the business,

they stay."

Singing the salary blues

With all these good things to say about their AHTs, the practitioners almost always bemoan the salary they're paying. The feeling is widespread that once you find a technician with just the right set of skills for your particular practice style, money blues start playing. Several practitioners described real shortages of AHTs in certain parts of the country. Others said they currently have unfilled positions because the right applicant hasn't come along yet.

Dr. Robert Lerner says the AHT shortage is acute in Southfield, Mich., where only six of a class of 40 at the state university last year went into clinical practice.

"The rest were lured away by industry," he says. "In private practice they can expect to make just $14,000 to $16,000 a year, and in industry it's quite a bit more. The ones who want to expand their talents and make some money, and have the benefit of working in industry, have the opportunity to do it here."

After 13 years in small animal practice, the 35-year-old Dr. Lerner says he's developed empathy for the AHT.

"I feel for those techs, I really do," he says. "Veterinary practice has never been able to pay them what they deserve. Like veterinarians, they leave school and ask, 'Where are the benefits?' They're very proud of their profession, but the rewards are small by comparison."

SOME AHTS AREN'T SUCH GEMS

Not all DVMs feel such pity for their AHTs. In VETERINARY ECONOMICS' poll, nearly one in two of the negative attributes listed was "overconfidence." The veterinarians who responded argued collectively that AHTs who "tend to overstep their bounds by diagnosing medical" conditions create the biggest problems.

Fifteen percent of the irritants listed by practitioners concerned bad attitudes; 13 percent decried the desire for a larger salary. The list shows many practitioners feel that technicians don't know their place in the clinic. Another 11 percent of the responses indicated practitioners are irked by their AHTs' "unwillingness to do menial tasks." And 9 percent of the responses described AHTs as "frustrated, would-be vets."

Skills brought less ire than attitude. Just 13 percent of the negative attributes involved AHTs who are "poorly educated." However, an additional 11 percent listed "a lack of skilled techniques and incompetence."

Some DVMs feel skills *should* rank low on the list of negatives regarding AHTs. Says one Northern United States small-animal practitioner, skills are less a problem among AHTs than attitude. "If they come from a quality school, they're crammed with information and skills," he says. "But communication skills are very hard to come by. The tough task is trying to find an AHT with the best of everything.

"I find they can become calloused to the needs of their clients, just like veterinarians. We can easily get to the point where we resent having to give a client an explanation when he says 'I don't understand.' But we, as practitioners, are more tuned in because it's our own livelihood on the line."

Florida practitioner Roderick J. Biosca, DVM, also assumes the AHT educational experience makes technique a moot concern. He lists three attributes he imagines would be the worst to see in an AHT: rudeness to clients, disrespect to doctors, and poor personal hygiene.

"Those three are not problems I have here. It's the risk of them (problems) I have in mind," he explains. "The AHT I have now I'd put up against anybody's in the country. I think the danger has to lie in communication. Like veterinarians, they're never taught about business in college. They really need a public relations program in their curriculum."

As with veterinarians, Dr. Biosca finds that attitude problems often stem from disillusionment and burnout. He says he feels salary is what keeps the AHT.

"It's just like veterinarians. A lot of burnout in this profession is because salary doesn't meet expectation," he argues. "Understanding their personal needs is fine, but salary is still the most critical element."

One East Coast practitioner thought he had burnout solved. To rekindle the fire in one of his AHTs, he spent more than $1,000 for

her to attend a professional seminar in Chicago. "She came back recharged and glowed for eight months after the seminar," he recalls. "But last June she left the practice for another profession."

The practitioner handles the AHT hiring for a 24-hour clinic. He says disillusionment is the heart of his problem with technicians.

"Veterinarians as a whole find the profession is not as glamorous once they've been in it a while," he says. "The same applies to techs. It's really sort of a dead-end profession for them. There are some supervisory positions in a clinic, but not many, and they tend to realize that after a year or so.

"Most of our techs make between $4.50 and $7 an hour. So many who come in with enthusiasm realize that's not enough money to justify the position."

He says another way to keep competent techs happy is to limit their duties. "In this practice they don't do kennel work and they don't fill in out front at lunch. We've found techs don't generally like to do those things, so it makes it a little easier for us to get and keep them from the smaller practices where they're really asked to do everything."

Weeding out weary applicants

Some practitioners argue that AHT prospects with attitude problems can be weeded out before hiring. The East Coast practitioner with burnout problems looks for trouble signs in the interview. He looks for "that gleam in their eyes." Even if they have it, he says he likes to bring them on board a few days for a tryout. The pressure is so great in such a situation, he says, that's the only way to know if they can take the heat.

Another practitioner is wary of applicants with other personality problems. Because he's often been fooled, his method is to check references carefully.

"We go a lot by references," he says. "Definitely we want to look at three. I always talk to former employers and I've found a number of problems that way. I thought the tech seemed excited about the job and easy to get along with, only to discover from former employers lack of motivation, quirks, inability to get along with staff and clients."

One Midwestern practitioner in a mixed-animal practice feels one should watch out for technical idiosyncracies rather than personality quirks. People skills are important, he says, but a consistent problem is technicians "too set in their ways" technically to adapt to the practitioner's particular style. And he says technicians often balk at doing some more practical jobs in the clinic.

"If the job doesn't fit exactly the training they've had, they're reluctant to do it," he says. "If it turns out to not be as glorious as the training suggests, like cleaning cages, they're upset. I just break the ice by saying 'you're the person responsible for the care of the patient, and this is part of that care.' "

TEN BEST ATTRIBUTES OF AHTS

Trait	Percent DVM responses
Frees up DVM's time	41%
Ability, technical skills	35
Competent, well-trained	33
Good with clients	24
Performs lab tests	18
Reliable, dependable	15
Handles animals properly	15
Good personality	10
Industrious	10
Professionalism	8

THREE WORST TRAITS OF SOME AHTS

Trait	Percent DVM responses
Oversteps bounds, diagnoses	49%
Poor attitude, arrogant	15
Unhappy about salary	13